

BANK INDONESIA REGULATION  
NUMBER: 11/11/PBI/2009  
CONCERNING  
MANAGEMENT OF CARD-BASED  
PAYMENT INSTRUMENT ACTIVITIES  
  
BY THE GRACE OF THE ALMIGHTY GOD  
  
THE GOVERNOR OF BANK INDONESIA,

- Considering:
- a. whereas the escalation and growing variety of fraud exploiting card-based payment instruments necessitates more detailed regulation of requirements for system security and reliability;
  - b. whereas to provide better services to card holders, a more active role is necessary from principals, issuers, acquirers, clearing providers and settlement providers;
  - c. whereas due to the necessity for separate regulation of prepaid cards, the regulation of card-based payment

Instruments ...

instruments is focused more on the regulation of credit cards, ATM cards and debit cards;

- d. now therefore, based on the considerations referred to in letter a, letter b and letter c, changes are deemed necessary in the regulatory provisions concerning the management of card-based payment instrument activities in a Bank Indonesia Regulation;

In view of:

- 1. Act Number 7 of 1992 concerning Banking (State Gazette of the Republic of Indonesia Number 31 of 1992, Supplement to the State Gazette of the Republic of Indonesia Number 3472), as amended by Act Number 10 of 1998 (State Gazette of the Republic of Indonesia Number 182 of 1998, Supplement to the State Gazette of the Republic of Indonesia Number 3790);
- 2. Act Number 23 of 1999 concerning Bank Indonesia (State Gazette of the Republic of Indonesia Number 66 of 1999, Supplement to the State Gazette of the Republic of Indonesia Number 3843) as last amended by Act Number 6 of 2009 (State Gazette of the Republic of Indonesia Number 7 of 2009, Supplement to the State Gazette of the Republic of Indonesia Number 4962);

3. Act ...

3. Act Number 40 of 2007 concerning Limited Liability Companies (State Gazette of the Republic of Indonesia Number 106 of 2007, Supplement to the State Gazette of the Republic of Indonesia Number 4756);
4. Act Number 11 of 2008 concerning Electronic Information and Transactions (State Gazette of the Republic of Indonesia Number 58 of 2008, Supplement to the State Gazette of the Republic of Indonesia Number 4843);
5. Act Number 21 of 2008 concerning Sharia Banking (State Gazette of the Republic of Indonesia Number 94 of 2008, Supplement to the State Gazette of the Republic of Indonesia Number 4867);

HAS DECREED:

To enact:       THE BANK INDONESIA REGULATION CONCERNING  
MANAGMENT       OF       CARD-BASED       PAYMENT  
INSTRUMENT ACTIVITIES

## CHAPTER I

GENERAL ...

## GENERAL PROVISIONS

### Article 1

The terminology used in this Bank Indonesia Regulation has the following meanings:

1. "Bank" is a Commercial Bank and Rural Bank as defined in Act Number 7 of 1992 concerning Banking as amended by Act Number 10 of 1998, including a branch office of a foreign bank in Indonesia, and a Sharia Commercial Bank and Sharia Rural Finance Bank as defined to Act Number 21 of 2008 concerning Sharia Banking.
2. "Non-Bank Institution" is a non-bank business entity incorporated and established pursuant to the laws of Indonesia.
3. "Card-Based Payment Instrument," hereinafter referred to as CBPI, is a payment instrument in the form of credit card, automated teller machine (ATM) card and/or debit card.
4. "Credit Card" is a CBPI that may be used for payments of obligations arising from an economic activity, including shopping transactions and/or for cash withdrawals, in which the payment obligation of the cardholder is settled in advance by the acquirer or issuer and the cardholder is required to execute payment at an agreed term, whether in a lump sum (charge card) or in instalments.
5. "ATM ...

5. "ATM Card" is a CBPI that may be used for cash withdrawals and/or fund transfers in which the obligations of the card holder are settled in real time by direct debit of the deposit of the card holder at a Bank or Non-Bank Institution authorised to mobilise funds under the applicable laws and regulations.
6. "Debit Card" is a CBPI that may be used for payments of liabilities arising from an economic activity, including shopping transactions, in which the obligation of the card holder is settled in real time by direct debit of the deposit of the card holder at a Bank or Non-Bank Institution authorised to mobilise funds under the applicable laws and regulations.
7. "Card Holder" is the rightful user of a CBPI.
8. "Principal" is a Bank or Non-Bank Institution responsible for management of the system and/or network among its members, whether acting in the capacity of issuer and/or acquirer, for CBPI transactions in cooperation with its members, based on a written agreement.
9. "Issuer" is a Bank or Non-Bank Institution issuing CBPIs.
10. "Acquirer" is a Bank or Non-Bank Institution cooperating with merchants in the processing of data for CBPIs issued by other parties.
11. "Merchant" is a vendor of goods and/or services accepting payment for transactions involving the use of Credit Cards and/or Debit Cards.

12. "Switching Company" is a company providing switching or routing services for electronic transactions conducted with CBPIs through terminals such as ATMs or Electronic Data Capture (EDC) for obtaining authorisation from Issuers.
13. "Clearing Provider" is a Bank or Non-Bank Institution performing the calculation of the financial rights and obligations of individual Issuers and/or Acquirers within the framework of CBPI transactions.
14. "Settlement Provider" is a Bank or Non-Bank Institution performing and responsible for the settlement of the financial claims and obligations of individual Issuers and/or Acquirers within the framework of CBPI transactions, based on the calculation result from the Clearing Provider.

## CHAPTER II

### PRINCIPALS, ISSUERS, ACQUIRERS, CLEARING PROVIDERS AND/OR

### SETTLEMENT PROVIDERS

#### Part One

#### Licensing

#### Sub-Part 1

#### Principals

## Article 2

- (1) Activities in the capacity of Principal may be conducted by a Bank or Non-Bank Institution.
- (2) A Bank or Non-Bank Institution intending to act as Principal as referred to in paragraph (1) is required to be licensed by Bank Indonesia.
- (3) If a Bank or Non-Bank Institution intends to act as Credit Card Principal, ATM Card Principal and/or Debit Card Principal, the requirement to be licensed by Bank Indonesia as referred to in paragraph (2) shall apply to each such activity conducted as CBPI Principal.
- (4) Further provisions concerning the requirements and procedures for licensing as Principal shall be stipulated in a Circular Letter of Bank Indonesia.

## Article 3

- (1) In conducting its activities, a Principal is required to:
  - a. establish objective, transparent procedures and requirements; and
  - b. control the security and reliability of the system and/or network, for all Issuers and/or Acquirers who become members of that Principal.
- (2) Principals must also control the security and reliability of the system and/or network as referred to in paragraph (1) letter b in respect of other parties cooperating with Issuers and/or Acquirers.

Article 4 ...

#### Article 4

- (1) A Principal must terminate cooperation with an Issuer and/or Acquirer if Bank Indonesia imposes sanctions by revocation of any licence issued to the Issuer and/or Acquirer as stipulated in this Bank Indonesia Regulation.
- (2) The Principal must terminate cooperation as referred to in paragraph (1) no later than the subsequent working day after the date of receipt of written notification from Bank Indonesia concerning revocation of a licence issued to an Issuer and/or Acquirer.
- (3) Termination of cooperation as referred to in paragraph (2) shall be reported by the Principal in writing and received by Bank Indonesia no later than 10 (ten) working days after the date of termination of the cooperation.

#### Sub-Part 2

##### Issuers

#### Article 5

- (1) Activities as Issuer may be conducted by a Bank or Non-Bank Institution.
- (2) A Bank or Non-Bank Institution intending to conduct activities as Issuer as referred to in paragraph (1) is required to be licensed by Bank Indonesia.

(3) If ...



- (3) If a Bank or Non-Bank Institution intends to operate as Credit Card Issuer, ATM Card Issuer and/or Debit Card Issuer, the requirement to be licensed by Bank Indonesia as referred to in paragraph (2) shall apply for each such activity conducted as CBPI Issuer.
- (4) Further provisions concerning the requirements and procedure for licensing as Issuer shall be stipulated in a Circular Letter of Bank Indonesia.

#### Article 6

- (1) Non-Bank Institutions eligible to act as Credit Card Issuers are Non-Bank Institutions previously licensed by the Ministry of Finance of the Republic of Indonesia as financing companies eligible to conduct business in Credit Card activities.
- (2) Non-Bank Institutions eligible to act as ATM Card and/or Debit Card Issuers are Non-Bank Institutions authorised to mobilise deposit funds from the public pursuant to the laws governing these Non-Bank Institutions.

#### Sub-Part 3

#### Acquirers

#### Article 7

- (1) Activities as Acquirer may be conducted by a Bank or Non-Bank Institution.
- (2) A Bank ...

- (2) A Bank or Non-Bank Institution intending to conduct business as Acquirer as referred to in paragraph (1) is required to be licensed by Bank Indonesia.
- (3) If a Bank or Non-Bank Institution intends to operate as Credit Card Acquirer and/or Debit Card Acquirer, the requirement to be licensed by Bank Indonesia as referred to in paragraph (2) shall apply to each such activity conducted as CPBI Acquirer.
- (4) Further provisions concerning requirements and procedure for licensing as Acquirer shall be stipulated in a Circular Letter of Bank Indonesia.

#### Article 8

- (1) Acquirers are required to provide education and dissemination to Merchants cooperating with the Acquirer.
- (2) Acquirers are required to terminate cooperation with any Merchant involved in possibly fraudulent actions.
- (3) Acquirers are required to exchange information or data with all other Acquirers concerning any Merchant conducting fraudulent actions and propose the listing of such Member names in the merchant black list.
- (4) Provisions concerning the minimum clauses that must be set out in the agreement of cooperation between Acquirer and Merchant shall be stipulated in a Circular Letter of Bank Indonesia.

#### Sub-Part 4

Clearing Providers and/or Settlement Providers

Article 9

- (1) A Bank or Non-Bank Institution intending to conduct activities as Clearing Provider and/or Settlement Provider is required to be licensed by Bank Indonesia.
- (2) If a Bank or Non-Bank Institution intends to operate as Clearing Provider and Settlement Provider, the requirement to be licensed by Bank Indonesia as referred to in paragraph (1) shall apply to each of these activities.
- (3) Further provisions concerning requirements and procedure for licensing as Clearing Provider and/or Settlement Provider as referred to in paragraph (1) shall be stipulated in a Circular Letter of Bank Indonesia.

Part Two

Launching of Activities as Principal, Issuer, Acquirer,  
Clearing Provider and/or Settlement Provider

Article 10

- (1) A Bank or Non-Bank Institution licensed by Bank Indonesia as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider is required to launch business within the time frame prescribed by Bank Indonesia.

- (2) The Bank or Non-Bank Institution is required to notify Bank Indonesia in writing of whether it has commenced or is unable to commence its activities within the prescribed time frame referred to in paragraph (1).
- (3) The time frame as referred to in paragraph (1) and instructions for written notification as referred to in paragraph (2) shall be stipulated in a Circular Letter of Bank Indonesia.

### Part Three

#### Legal Incorporation and Cooperation

##### Article 11

A Non-Bank Institution intending to conduct activities as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider within the territory of the Republic of Indonesia must be incorporated under Indonesian law.

##### Article 12

Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers licensed by Bank Indonesia may cooperate only with Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers licensed by Bank Indonesia.

##### Article 13

(1). If a ...

- (1) If a Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider cooperates with another party, that Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider is required to:
- a. notify Bank Indonesia of the plan and implementation of the cooperation with the other party;
  - b. possess evidence of the reliability and security of the system used by the other party, including but not limited to evidence supported by:
    1. information technology audit performed by an independent auditor;
    - and
    2. certification conducted by the Principal, if required by the Principal.
  - c. require the other party to safeguard confidentiality of data.
- (2) Further provisions concerning the procedure for notification of planned cooperation and launching of cooperation of Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers with other parties as referred to in paragraph (1) shall be stipulated in a Circular Letter of Bank Indonesia.

### CHAPTER III

#### MANAGEMENT OF ACTIVITIES

##### Part One

##### Issuance and Risk Management

##### Sub-Part 1 ...

Sub-Part 1

Credit Cards

Article 14

The issuance of a Credit Card by a Credit Card Issuer shall be based on an application signed by the prospective Cardholder.

Article 15

- (1) In the management of Credit Cards, Credit Card Issuers and Acquirers are required to apply risk management in compliance with the regulatory provisions concerning risk management.
- (2) In applying risk management as referred to in paragraph (1), Credit Card Issuers are also required to comply with the regulatory provisions governing the requirement for formulation and implementation of bank credit policy for Commercial Banks, including any minimum percentage prescribed for payments by the Card Holder.
- (3) The minimum percentage payment by the Card Holder as referred to in paragraph (2) shall be prescribed by Bank Indonesia in a Circular Letter of Bank Indonesia.

Article 16

- (1) Credit Card Issuers are required to provide information in writing to Cardholders concerning at least the following:

a. procedures ...

- a. procedures and instructions for use of Credit Cards;
  - b. important matters for the attention of Card Holders concerning use of their cards and the consequences or risk that may arise from the use of Credit Cards;
  - c. rights and obligations of the Card Holder;
  - d. complaint procedure for issued Credit Cards and estimated time for resolution of these complaints;
  - e. components in calculation of interest;
  - f. components in calculation of penalties; and
  - g. types and amounts of administration charges.
- (2) Credit Card Issuers are required to state at least the following information on the credit card billing statements delivered to Card Holders, encompassing as least:
- a. amount of minimum payment to be made by the Card Holder;
  - b. due date of payment;
  - c. monthly percentage rate of interest and annualised percentage rate for concluded transactions, including interest on purchases of goods or services, cash withdrawals and other benefits of the Credit Card if different levels of interest are charged on these transactions;
  - d. amount of penalty for late payment by the Card Holder; and

- e. amount of interest charged.
- (3) In the event of change of information as referred to in paragraph (1) and paragraph (2), the Credit Card Issuer is required to inform the Card Holder of the change in information in writing.
- (4) Further provisions concerning the procedure for conveying of written information as referred to in paragraph (1) and the inclusion of such information in billing statements as referred to in paragraph (2) shall be stipulated in a Circular Letter of Bank Indonesia.

#### Article 17

- (1) When extending credit comprising a Credit Card facility, a Credit Card Issuer is required to formulate and implement a credit policy in accordance with the applicable regulations governing the requirements for formulation and implementation of bank credit policy by Commercial Banks.
- (2) Calculation of interest and/or penalties arising from Credit Card transactions shall comply with the applicable financial accounting standards, with consideration for fairness and propriety.
- (3) If extension of credit as referred to in paragraph (1) becomes a problem loan, the resolution of the problem loan, including claims to principal, interest and/or penalties, shall be settled in accordance with the Bank



Indonesia regulatory provisions governing the formulation and implementation of Commercial Bank credit policy.

- (4) Collectibility of credit extended through a Credit Card shall be calculated under the following provisions:
  - a. For a Bank, in conformity with the Bank Indonesia regulatory provisions concerning loan collectibility for Commercial Banks.
  - b. For a Non-Bank Institution, in conformity with the regulatory provisions concerning loan collectibility for the Non-Bank Institution.
- (5) Credit Card Issuers are required to guarantee that bill collection on Credit Card transactions, whether instituted by the Credit Card Issuer itself or involving the services of a third party, is conducted in compliance with the provisions stipulated in the Circular Letter of Bank Indonesia.

#### Article 18

Credit Card Issuers are prohibited from extending any facility incurring added costs for the Card Holder and/or extending other facility outside the main Credit Card function without written consent of the Card Holder.

#### Article 19

- (1) Credit Card Issuers are required to exchange information or data with all other Credit Card Issuers.

- (2) The scope of information or data that must be exchanged as referred to in paragraph (1) covers Card Holder data in negative list form.
- (3) Exchange of information as referred to in paragraph (1) shall take place through an information management centre.
- (4) Credit Card Issuers are prohibited from disclosing Card Holder information and data to other parties other than for the purposes of information exchange as referred to in paragraph (1) without written consent from the Card Holder.

#### Article 20

- (1) A Credit Card Issuer intending to release a new Credit Card Product must notify Bank Indonesia in writing.
- (2) The written notification referred to in paragraph (1) must include information encompassing at least the following:
  - a. business plan; and
  - b. explanation of the characteristics of the new Credit Card product.
- (3) Further provisions concerning the procedure for written notification as referred to in paragraph (1) shall be stipulated in a Circular Letter of Bank Indonesia.

#### Article 21

(1) If an ...

- (1) If an Issuer cooperates with parties other than other parties as stipulated in Article 13, the Issuer shall bear responsibility for that cooperation.
- (2) Further provisions concerning cooperation of Issuers with parties as referred to in paragraph (1) shall be stipulated in a Circular Letter of Bank Indonesia.

## Sub-Part 2

### ATM Cards and/or Debit Cards

#### Article 22

- (1) In issuing ATM Cards and/or Debit Cards, Issuers of ATM cards and/or Debit Cards shall apply risk management in accordance with the Bank Indonesia provisions concerning risk management.
- (2) When implementing risk management as referred to in paragraph (1), an ATM Card and/or Debit Card Issuer is also required to comply with requirements encompassing at least the following:
  - a. establishment of maximum limits on transaction value; and
  - b. establishment of maximum cash withdrawal limit.
- (3) Maximum limits on transaction value and cash withdrawals as referred to in paragraph (2) shall be prescribed by Bank Indonesia in a Circular Letter of Bank Indonesia.

Article 23 ...

### Article 23

Issuers of ATM Cards and/or Debit Cards are required to provide written information to the Card Holder covering at least the following:

- a. procedures and instructions for use of the ATM Card and/or Debit Card, facilities provided with the ATM Card and/or Debit Card and risks that may arise from use of the ATM Card and/or Debit Card;
- b. rights and obligations of the ATM Card and/or Debit Card Holder; and
- c. complaint procedure for problems pertaining to the use of the ATM Card and/or Debit Card as referred to in letter a and the time frame for resolution of such complaints.

### Article 24

- (1) An ATM Card and/or Debit Card Issuer intending to release a new ATM Card and/or Debit Card product must notify Bank Indonesia in writing.
- (2) The written notification referred to in paragraph (1) shall enclose, among others, the following:
  - a. business plan; and
  - b. explanation of the characteristics of the new ATM Card and/or Debit Card product.

(3) Further ...

- (3) Further provisions concerning the procedure for written notification as referred to in paragraph (1) shall be stipulated in a Circular Letter of Bank Indonesia.

## Part Two

### Use of the Rupiah Currency

#### Article 25

Each action using money or having the objective of payment or settlement of an obligation concluded within the territory of the Republic of Indonesia by means of a Credit Card and/or Debit Card is required to use the rupiah currency.

## CHAPTER IV

### TRANSFER OF CBPI LICENSING

#### Article 26

- (1) Transfer of licence for management of activities as CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider to another party is permitted only for a Bank or Non-Bank Institution within the framework of consolidation, merger or corporate split.

(2) Transfer ...

- (2) Transfer of licence for management of activities as CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider as referred to in paragraph (1) must be approved in advance by Bank Indonesia.
- (3) In the event of a takeover, the Bank or Non-Bank Institution previously licensed to conduct activities as CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider is required to notify Bank Indonesia in writing.
- (4) Further provisions concerning requirements and procedure for licensing as referred to in paragraph (2) and submission of written notification as referred to in paragraph (3) shall be stipulated in a Circular Letter of Bank Indonesia.

## CHAPTER V

### SUPERVISION

#### Article 27

- (1) Bank Indonesia shall conduct the supervision of Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers.
- (2) For the purpose of supervision as referred to in paragraph (1), Bank Indonesia shall hold consultative meetings with Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers.

- (3) For the purpose of supervision as referred to in paragraph (1), Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers are required to:
- a. submit reports on CBPI activities to Bank Indonesia in writing and/or on-line;
  - b. provide information and/or data pertaining to management of CBPI activities as requested by Bank Indonesia;
  - c. provide opportunity to Bank Indonesia to conduct on site visits to obtain information pertaining to management of CBPI activities.
- (4) Bank Indonesia may request parties cooperating with a Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider as referred to in Article 13 paragraph (1) and Article 21 paragraph (1) to submit written reports containing certain information.
- (5) Based on the findings of supervision as referred to in paragraph (1), Bank Indonesia may issue orders and/or impose administrative sanctions.
- (6) Further provisions concerning reporting procedure and types of reports to be submitted in writing and/or on-line as referred to in paragraph (3) letter a shall be stipulated in a circular Letter of Bank Indonesia.

## Article 28

Bank Indonesia ...

Bank Indonesia may assign other parties on behalf of and in the name of Bank Indonesia to conduct on-site visits as referred to in Article 27 paragraph (3) letter c.

## CHAPTER VI

### ENHANCEMENT OF TECHNOLOGY SECURITY

#### Article 29

- (1) CBPI Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers are required to:
  - a. use a secure, reliable system;
  - b. maintain and improve the security of CBPI technology;
  - c. have standard operating procedures for management of CBPI activities; and
  - d. safeguard data security and confidentiality.
- (2) To comply with the obligations referred to in paragraph (1), a Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider is required to conduct a regular information technology audit and report the information technology audit findings to Bank Indonesia.
- (3) Further provisions concerning technology security as referred to in paragraph (1), conduct of audit and procedure for reporting information technology ...



technology audit findings as referred to in paragraph (2) shall be stipulated in a Circular Letter of Bank Indonesia.

## CHAPTER VII

### MISCELLANEOUS PROVISIONS

#### Article 30

Management of CBPI activities by a Sharia Commercial Bank or Sharia Division is subject to this Bank Indonesia Regulation while notwithstanding guided by the applicable sharia principles.

#### Article 31

- (1) A Rural Bank and Sharia Rural Finance Bank may conduct CBPI activities insofar as is not prohibited under the regulations governing Rural Banks or Sharia Rural Finance Banks.
- (2) If a Rural Bank or Sharia Rural Finance Bank as referred to in paragraph (1) conducts CBPI activities, all provisions in this Bank Indonesia Regulation shall apply to that Rural Bank or Sharia Rural Finance Bank.

#### Article 32

- (1) Principals, Issuers and/or Acquirers must provide systems offering interoperability with other CBPI systems.

(2) Further ...

- (2) Further provisions concerning the requirement for provision of systems offering interoperability with other CBPI systems as referred to in paragraph (1) shall be stipulated in a Circular Letter of Bank Indonesia.

#### Article 33

- (1) In the event of any change in name, address and/or information in particular documents, the CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider must notify Bank Indonesia in writing.
- (2) Further provisions concerning procedure for notification of change of name, address and/or information in particular documents as referred to in paragraph (1) shall be stipulated in a Circular Letter of Bank Indonesia.

#### Article 34

Each report, statement and/or data submitted by a CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider must be submitted in complete, truthful and accurate form.

#### Article 35

- (1) CBPI Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers and other parties pertaining to management of CBPIs may agree to the establishment of a forum or institution with the purpose of self-regulation of technical and micro matters, subject to written notification to Bank Indonesia of the existence of that forum or institution.

- (2) The rules issued by a forum or institution as referred to in paragraph (1) must be consulted in advance with Bank Indonesia and may not conflict with the rules and policies of Bank Indonesia.
- (3) CBPI Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers and other parties enrolled as members of a forum or institution as referred to in paragraph (1) must comply with and be subject to the rules issued and approved by that forum or institution.

#### Article 36

Bank Indonesia shall list the name of any Bank and Non-Bank Institution that is licensed and effectively conducting activities as CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider on the Bank Indonesia website.

### CHAPTER VIII

#### SANCTIONS

#### Article 37

Any Bank or Non-Bank Institution failing to comply with the requirements referred to in Article 2 paragraph (2), Article 2 paragraph (3), Article 5 paragraph (2), Article 5 paragraph (3), Article 7 paragraph (2), Article 7 paragraph (3), Article 9 paragraph (1), Article 9 paragraph (2) and/or Article 56 shall be liable to administrative sanctions in the form of:

a. in ...

- a. in the case of a Bank, termination of CBPI activities; or
- b. in the case of a Non-Bank Institution, termination of CBPI activities by the competent agency at the request of Bank Indonesia.

#### Article 38

- (1) Any Principal failing to comply with the obligations referred to in Article 3 paragraph (1), Article 4 paragraph (1), Article 4 paragraph (2) and/or Article 4 paragraph (3) shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Principal fails to comply with the provisions of Article 3 paragraph (1), Article 4 paragraph (1), Article 4 paragraph (2) and/or Article 4 paragraph (3), the Principal shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Principal fails to comply with the provisions of Article 3 paragraph (1), Article 4 paragraph (1), Article 4 paragraph (2) and/or Article 4 paragraph (3), the Principal shall be liable to revocation of licence as Principal.

#### Article 39

(1) Any ...

- (1) Any Acquirer failing to comply with the obligations referred to in Article 8 paragraph (1), Article 8 paragraph (2) and/or Article 8 paragraph (3) shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Acquirer fails to comply with the provisions of Article 8 paragraph (1), Article 8 paragraph (2) and/or Article 8 paragraph (3), it shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Acquirer fails to comply with the provisions of Article 8 paragraph (1), Article 8 paragraph (2) and/or Article 8 paragraph (3), it shall be liable to revocation of licence as Acquirer.

#### Article 40

- (1) Any Bank or Non-Bank Institution failing to comply with the obligations referred to in Article 10 paragraph (1) and/or Article 10 paragraph (2) shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days commencing from the date of written warning as referred to in paragraph (1), the Bank or Non-Bank Institution still fails to comply with the provisions of Article 10 paragraph

(1) and/or ...

(1) and/or Article 10 paragraph (2), it shall be liable to administrative sanctions in the form of a second written warning.

- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Bank or Non-Bank Institution fails to comply with the provisions of Article 10 paragraph (1) and/or Article 10 paragraph (2), it shall be liable to cancellation of licence as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.

#### Article 41

- (1) Any CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider in violation of Article 12 shall be liable to administrative sanctions in the form of written warning and an order to terminate cooperation with the other Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider does not terminate its cooperation with the other Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider, it shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the CBPI Principal, Issuer,

Acquirer, Clearing Provider and/or Settlement Provider does not terminate its cooperation with the other Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider, it shall be liable to revocation of licence as CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.

#### Article 42

- (1) Any Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider failing to comply with the obligations referred to in Article 13 paragraph (1) shall be liable to administrative sanctions in the form of written warning and an order to terminate cooperation with the other party.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider does not terminate its cooperation, it shall be issued a second written warning and an order to terminate its cooperation with the other party.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider does not terminate its cooperation, it shall be liable to revocation of licence as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.

Article 43

- (1) Any Credit Card Issuer failing to comply with the provisions referred to in Article 14, Article 15 paragraph (1), Article 15 paragraph (2), Article 16 paragraph (1), Article 16 paragraph (2), Article 16 paragraph (3), Article 17 paragraph (1), Article 17 paragraph (2), Article 17 paragraph (3), Article 17 paragraph (4), Article 17 paragraph (5), Article 18, Article 19 paragraph (1) and/or Article 19 paragraph (4) shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Credit Card Issuer fails to comply with the provisions of Article 14, Article 15 paragraph (1), Article 15 paragraph (2), Article 16 paragraph (1), Article 16 paragraph (2), Article 16 paragraph (3), Article 17 paragraph (1), Article 17 paragraph (2), Article 17 paragraph (3), Article 17 paragraph (4), Article 17 paragraph (5), Article 18, Article 19 paragraph (1) and/or Article 19 paragraph (4), the Credit Card Issuer shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Credit Card Issuer fails to comply with the provisions referred to in Article 14, Article 15 paragraph (1), Article 15 paragraph (2), Article 16 paragraph (1), Article 16 paragraph

(2), Article ...



(2), Article 16 paragraph (3), Article 17 paragraph (1), Article 17 paragraph (2), Article 17 paragraph (3), Article 17 paragraph (4), Article 17 paragraph (5), Article 18, Article 19 paragraph (1) and/or Article 19 paragraph (4), the Credit Card Issuer shall be liable to revocation of licence as Credit Card Issuer.

#### Article 44

- (1) Any Credit Card Acquirer failing to comply with the obligations referred to in Article 15 paragraph (1) shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Credit Card Acquirer fails to comply with the provisions referred to in Article 15 paragraph (1), the Credit Card Acquirer shall be issued a second written warning.
- (3) If within a period a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Credit Card Acquirer fails to comply with the provisions referred to in Article 15 paragraph (1), the Credit Card Acquirer shall be liable to revocation of licence as Credit Card Acquirer.

Article 45 ...

#### Article 45

- (1) Any ATM Card and/or Debit Card Issuer failing to comply with the obligations referred to in Article 22 paragraph (1), Article 22 paragraph (2) and/or Article 23 shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the ATM Card and/or Debit Card Issuer fails to comply with the provisions of Article 22 paragraph (1), Article 22 paragraph (2) and/or Article 23, the ATM Card and/or Debit Card Issuer shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the ATM Card and/or Debit Card Issuer fails to comply with the provisions of Article 22 paragraph (1), Article 22 paragraph (2) and/or Article 23, the ATM Card and/or Debit Card Issuer shall be liable to revocation of licence as ATM Card and/or Debit Card Issuer.

#### Article 46

Any violation of the provisions of Article 25 shall be liable to sanctions pursuant to Article 65 of Act Number 23 of 1999 concerning Bank Indonesia as last amended by Act Number 6 of 2009.

Article 47 ...

#### Article 47

- (1) Any Bank or Non-Bank Institution failing to comply with the obligations referred to in Article 26 paragraph (1), Article 26 paragraph (2) and/or Article 26 paragraph (3) shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Bank or Non-Bank Institution persists in breach of the provisions of Article 26 paragraph (1), Article 26 paragraph (2) and/or Article 26 paragraph (3), it shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Bank or Non-Bank Institution persists in breach of Article 26 paragraph (1), Article 26 paragraph (2) and/or Article 26 paragraph (3), it shall be liable to revocation of licence as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.

#### Article 48

- (1) Any Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider failing to comply with the obligation for submission of written reports as referred to in Article 27 paragraph (3) letter a after expiration of

the reporting deadline shall be liable to administrative sanctions in the form of written warning.

- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider persists in breach of Article 27 paragraph (3) letter a, it shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider persists in breach of Article 27 paragraph (3) letter a, it shall be liable to revocation of licence for activities as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.
- (4) Any Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider failing to comply with the obligation for online reporting as referred to in Article 27 paragraph (3) letter a shall be liable to administrative sanctions as stipulated in the Bank Indonesia regulatory provisions concerning Commercial Bank Head Office Reports and the Bank Indonesia Regulation concerning Reports on Management of Card-Based Payment Instrument Activities by Rural Banks and Non-Bank Institutions.

Article 49

- (1) Any Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider failing to comply with the obligations referred to in Article 27 paragraph (3) letter b, Article 29 paragraph (1) and/or Article 29 paragraph (2) shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider fails to comply with the obligations referred to in Article 27 paragraph (3) letter b, Article 29 paragraph (1) and/or Article 29 paragraph (2), it shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of the second written warning as referred to in paragraph (2), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider fails to comply with the obligations referred to in Article 27 paragraph (3) letter b, Article 29 paragraph (1) and/or Article 29 paragraph (2), it shall be liable to revocation of licence as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.

Article 50 ...

Article 50

- (1) Any Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider failing to comply with the obligations referred to in Article 27 paragraph (3) letter c shall be liable to administrative sanctions in the form of written warning.
- (2) If within a period of 14 (fourteen) calendar days after the date of written warning as referred to in paragraph (1), the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider fails to comply with the obligations referred to in Article 27 paragraph (3) letter c, it shall be liable to revocation of licence as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.

Article 51

- (1) Any Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider failing to comply with the obligation for complete, truthful and accurate on-line reporting as referred to in Article 34 shall be liable to administrative sanctions as stipulated in the Bank Indonesia regulatory provisions concerning Commercial Bank head office reports and the Bank Indonesia Regulation concerning reports on management of card-based payment instrument activities by Rural Banks and Non-Bank Institutions.

(2) Any ...

- (2) Any Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider failing to comply with the obligation for complete, truthful and accurate written reporting as referred to in Article 34 shall be liable to administrative sanctions in the form of written warning.

#### Article 52

Any Bank or Non-Bank Institution failing to comply with the obligations referred to in Article 57 shall be issued a written warning.

#### Article 53

- (1) Any Non-Bank Institution failing to comply with the obligations referred to in Article 58 shall be issued a written warning.
- (2) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (1), the Non-Bank Institution fails to comply with the obligations referred to in Article 58, it shall be issued a second written warning.
- (3) If within a period of 30 (thirty) calendar days after the date of written warning as referred to in paragraph (2), the Non-Bank Institution fails to comply with the obligations referred to in Article 58, it shall be liable to revocation of licence for activities as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.

## CHAPTER IX

### SUSPENSION, CANCELLATION AND REVOCATION OF LICENCE

#### Article 54

Other than for imposition of sanctions as referred to in Article 37, Article 38, Article 39, Article 40, Article 41, Article 42, Article 43, Article 44, Article 45, Article 47, Article 48, Article 49, Article 50 and/or Article 53, Bank Indonesia may suspend, cancel or revoke a licence previously issued to a Bank or Non-Bank Institution to operate as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider, in cases including but not limited to:

- a. court decision issued with permanent legal force ordering the Bank or Non-Bank Institution conducting activities as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider to halt its activities;
- b. recommendation issued by a competent supervisory authority, among others in regard to deteriorating financial condition and/or weak risk management of the Bank or Non-Bank Institution.
- c. written request or recommendation made by a competent supervisory authority to Bank Indonesia for the suspension of activities of the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider;
- d. a competent authority has revoked the operating licence and/or terminated the business activities of the Bank or Non-Bank Institution conducting



activities as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider; or

- e. request for cancellation placed by the Bank or Non-Bank Institution itself, with prior approval from Bank Indonesia.

#### Article 55

- (1) Principals, Issuers, Acquirers, Clearing Providers and/or Settlement Providers must notify Bank Indonesia in writing of any intention to terminate activities.
- (2) Notification as referred to in paragraph (1) shall be made no later than 30 (thirty) calendar days prior to termination of activities by the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider.
- (3) The actual termination of activities by the Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider must be reported in writing to Bank Indonesia no later than 3 (three) calendar days after the date of terminating activities.

### CHAPTER X

#### TRANSITIONAL PROVISIONS

#### Article 56

A Bank ...

A Bank or Non-Bank Institution having conducted activities as CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider prior to the enactment of this Bank Indonesia Regulation and not previously licensed or recognised by Bank Indonesia is required to be licensed by Bank Indonesia within the time frame prescribed by Bank Indonesia.

#### Article 57

Any Bank or Non-Bank Institution conducting activities as CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider prior to the enactment of this Bank Indonesia Regulation and previously licensed or recognised by Bank Indonesia is required to report its activities to Bank Indonesia and comply with the requirements for CBPI Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider as stipulated in this Bank Indonesia Regulation, according to the time frames prescribed by Bank Indonesia.

#### Article 58

Any Non-Bank Institution having conducted activities as Principal, Issuer, Acquirer, Clearing Provider and/or Settlement Provider within the territory of the Republic of Indonesia prior to the enactment of these regulatory provisions and

not incorporated as an Indonesian legal entity is required to become incorporated as an Indonesian legal entity within the time frame prescribed by Bank Indonesia.

## CHAPTER XI

### CONCLUDING PROVISIONS

#### Article 59

Upon the coming into force of this Bank Indonesia Regulation, Bank Indonesia Regulation Number 7/52/PBI/2005 concerning Management of Card-Based Payment Instrument Activities as amended by Bank Indonesia Regulation Number 10/8/PBI/2008 shall be revoked and declared no longer valid.

#### Article 60

This Bank Indonesia Regulation shall come into force on the date of its enactment.

For the public to be informed, it is ordered that this Bank Indonesia Regulation be promulgated in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta

Dated:

THE GOVERNOR OF BANK INDONESIA,

BOEDIONO

Adopted in Jakarta

Dated \_\_\_\_\_

THE MINISTER OF LAW AND HUMAN RIGHTS  
OF THE REPUBLIC OF INDONESIA

ANDI MATTALATTA